



How Nike's "Dream Crazy" Campaign used Social Issues to Profit

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Research Question

Is Nike's Colin Kaepernick Dream Crazy campaign a success?

Research Objectives

1. Determine whether Nike's polarizing marketing campaign is a success based on financial and engagement metrics.
2. Determine how "Dream Crazy" makes brand stronger by customizing to the target demographic characteristics.
3. Determine how "Dream Crazy" makes Nike's brand stronger.

Research Methodology

QUALITATIVE AND DESCRIPTIVE METHOD

The research method is to review the literature reporting on how this campaign is evaluated and extract insights from it using descriptive statistics.

Research Background

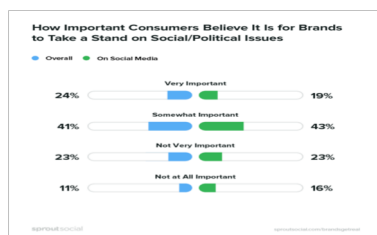
For the 30th year anniversary of Nike's legendary slogan "just do it," an incendiary campaign was unleashed called "Dream Crazy" starring social activist and ex-football player Colin Kaepernick. Kaepernick has been a world-wide polarizing figure since becoming the first NFL player to protest over racial injustice by taking a knee while the national anthem played before each game.

In addition to LeBron James, Serena Williams, and Odell Beckham Jr., the ad features gold-medal winning wheelchair athlete Megan Blunk, 10-yr old wrestler Isaiah Bird who was born without legs, and Ironman athlete Charlie Jabalay who dropped 120 lbs and overcame a brain tumor. The ad ends with a phrase that fit perfectly with every athlete's story, especially Kaepernick who lost his career for what he believed in: Believe in Something, Even if it means sacrificing everything.

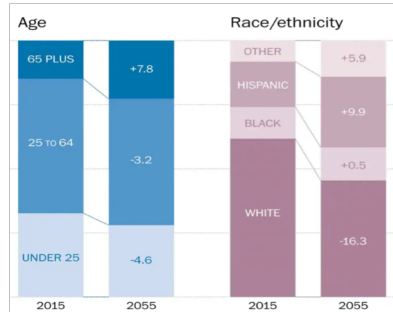
Despite the intimidating risk that Nike took by partnering with such a controversial figure, they held on to the marketing principle that taking a stance on controversial topics increases brand awareness, divides people, and generates revenue. Nike carefully analyzed if they could bear the load of irresponsible journalism as a result of their stock prices dropping after signing Kaepernick, conservatives raging on media streams, President Donald Trump's tweets, and even extremists boycotting the brand on social media.

Since the ad aired September 6th, 2018, comments, likes, mentions, and views flooded the internet revolving this campaign. Many industry experts expected Nike to win over consumers who sympathize with Kaepernick's cause. Nevertheless, there were numerous images of people burning their Nike shoes posted to Twitter, along with several people promising to never buy Nike products ever again. Even President Trump decided to make a public statement claiming that "Nike is getting absolutely killed with anger and boycotts. I wonder if they had any idea that it would be this way?"

In 72 hours after the ad launched, people mentioned the brand more than 5.2 million times on social media. Nike didn't only saturate social platforms, but they consumed Wallstreet's attention. Within three days the stock price fell 3% and many industry experts expected the price to plummet. Does all this awareness or "buzz" mean the campaign is a success or a failure?

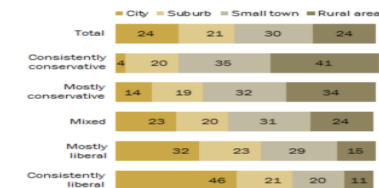


Demographic Predictions that Nike Used to Execute their Campaign



Conservatives Attracted to Small Towns, Rural Areas; Liberals Prefer Cities

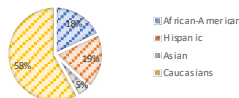
If you could live anywhere in the U.S., would you prefer...



Source: 2014 Political Polarization in the American Public
Notes: Ideological consistency based on a scale of 10 political values questions (see Appendix A). Don't know responses not shown.
PEW RESEARCH CENTER

Findings & Results

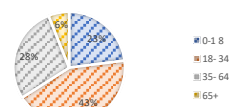
NIKE DEMOGRAPHIC MARKET SHARE



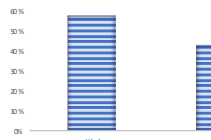
NIKE BRAND LOYALTY

Rank	Brand	Score (%)	Rank	Brand	Score (%)
1	Nike	75.0	1	Nike	65.2
2	Nike	69.3	2	Warrior's	63.5
3	Warrior's	62.1	3	Adidas	62.6
4	Warrior's & Adidas	61.8	4	Nike	60.3
5	Little Debbie	62.5	5	Target	60.0
6	Walmart	61.3	6	Walmart	59.1
7	Amazon	59.3	7	Google	56.3
8	Under Armour	57.0	8	Herman & Herman	56.2
9	Unilever	56.0	9	Paycom	55.6
10	Apple	55.2	10	The North Face	55.6

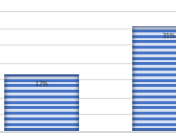
NIKE AGE DEMOGRAPHICS



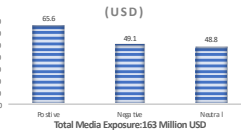
LIKED VS. DISLIKED



ONLINE SALES GROWTH



MEDIA EXPOSURE IN MILLIONS (USD)



Total Media Exposure: 163 Million USD

Source: Nielsen, 2018. Data is based on the Nielsen Media Research database. Data is based on the Nielsen Media Research database. Data is based on the Nielsen Media Research database.

Twitter Performance



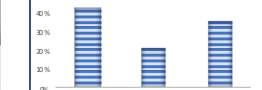
YouTube Performance



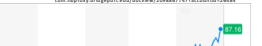
Total # of Mentions on Social Media?

5.2 Million

Percentage Growth of Mention on Social Media?



VIEW OF KAEPERNICK AMONG NIKE FOLLOWERS



Stock Performance



Conclusions

For a brand as strategic and powerful as Nike, featuring Colin Kaepernick as the main protagonist of "Dream Crazy" was not a whimsical decision. Instead, it was a massively strategic decision that was crafted into the brand's DNA. Nike based their effort on a long-term play to focus on their younger than 35 market which comprises of a diverse set of ethnic backgrounds, younger progressives, consistent buyers, support social causes in an authentic and meaningful manner, who live in urban areas, and are most likely to be democrat.

After 163 Million Dollars in Media Exposure, a 31% boost in stock price, 5.2 Million mentions on Social Media, and 31% increase in online sales, the ad represents a huge win for Nike. Nevertheless, its success was never based on the numbers, but on the statement Nike made. Nike is willing to back their own values, especially at the cost of potential customers. Nike had the opportunity to do the right thing in the eyes of their customer-base and accomplish their financial goals.